



PUBLIC NOTICE

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Report No. SCL-00243

Monday June 17, 2019

Actions Taken Under Cable Landing License Act

Section 1.767(a) Cable Landing Licenses, Modifications, and Assignments or Transfers of Control of Interests in Cable Landing Licenses (47 C.F.R. § 1.767(a))

By the Chief, Telecommunications and Analysis Division, International Bureau:

Pursuant to An Act Relating to the Landing and Operation of Submarine Cables in the United States, 47 U.S.C. §§ 34-39 (Cable Landing License Act), Executive Order No. 10530, Exec. Ord. No. 10530 reprinted as amended in 3 U.S.C. § 301, and section 1.767 of the Commission's rules, 47 C.F.R. § 1.767, the following applications ARE GRANTED. These grants of authority are taken under section 0.261 of the Commission's rules, 47 C.F.R. § 0.261. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 C.F.R. §§ 1.106, 1.115, may be filed within 30 days of the date of this public notice.

These applications have been coordinated with the Department of State and other Executive Branch agencies pursuant to section 1.767(b) of the Commission's rules, 47 C.F.R. § 1.767(b), and consistent with procedures established with the Department of State. See Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, Report and Order, 16 FCC Rcd 22167, 22192-93, paras. 51-52 (2001) (Submarine Cable Landing License Report and Order); Streamlined Procedures for Executive Branch Review of Submarine Cable Landing License Requests, State Department Media Note (Revised) (rel. Dec. 20, 2001) available at <http://2001-2009.state.gov/r/pa/prs/ps/2001/6951.htm>.

This public notice serves as each cable landing licensee's Cable Landing License, or modification thereto, pursuant to the Cable Landing License Act and sections 1.767 and 1.768 of the Commission's rules. Cable landing licensees should review carefully the terms and conditions of their licenses. Failure to comply with these terms and conditions or relevant Commission rules and policies could result in fines or forfeitures.

SCL-AMD-20180801-00028

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GCI Communication Corp.

Amendment

Grant of Authority

Date of Action: 06/13/2019

Amendment filed by GCI Communication Corp. (GCICC) to its application for a license to land and operate in the United States a non-common carrier fiber-optic submarine cable system connecting Kodiak, Larsen Bay, Chignik, Perryville, Sand Point, King Cove, Cold Bay, Akutan, Dutch Harbor, and False Pass. See Streamlined Submarine Cable Landing License Applications Accepted for Filing, File No. SCL-LIC-20171031-00024, Public Notice, Report No. SCL-00208S (IB, Jan. 22, 2018). GCICC amends the application to include updated routing, landing point, and ownership information for its cable system and landings at communities along a southern route in southwest Alaska and the Aleutian Islands.

The cable landing license application, as amended, is granted. See SCL-LIC-20171031-00024.

Submarine Cable Landing License

Grant of Authority

Date of Action: 06/13/2019

Acceptability for Filing Public Notice: Application filed by GCI Communication Corp. (GCICC or Applicant) for a license to land and operate in the United States a non-common carrier fiber-optic submarine cable system connecting ten (10) communities in Southwest Alaska and the Aleutian Islands: Kodiak, Larsen Bay, Chignik, Perryville, Sand Point, King Cove, Cold Bay, Akutan, Dutch Harbor, and False Pass. The cable system, known as the AU-Aleutian (previously, the Terra-Aleutian) cable system, will consist entirely of U.S. domestic landing points. The Application was placed on Public Notice on December 7, 2017. See Streamlined Submarine Cable Landing License Applications Accepted for Filing, File No. SCL-LIC-20171031-00024, Public Notice, Report No. SCL-00206S (IB, Dec. 7, 2017).

Applicant filed three letter supplements and one amendment to the application. The supplements, filed on November 21 and December 5, 2017, and May 15, 2019, update ownership, capacity, and cable landing station facility information. The application was amended on August 1, 2018, to update the route and landing points of AU-Aleutian and revise its indirect ownership information to reflect consummation of the transfer of control by which GCI Liberty, Inc. (GCI Liberty) became GCICC's ultimate parent. SCL-AMD-20180801-00028. See Streamlined Submarine Cable Landing License Applications Accepted for Filing, File No. SCL-LIC-20171031-00024, Public Notice, Report No. SCL-00208S (IB, Jan. 22, 2018).

The Application has been coordinated with the Department of State and other Executive Branch agencies pursuant to section 1.767(b) of the Commission's rules, 47 C.F.R. §1.767(b), and consistent with procedures established with the Department of State. See Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, Report and Order, 16 FCC Rcd 22167, 22192-93, paras. 51-52 (2001) (Submarine Cable Landing License Report and Order); Streamlined Procedures for Executive Branch Review of Submarine Cable Landing License Requests, State Department Media Note (Revised) (rel. Dec. 20, 2001) available at <https://2001-2009.state.gov/r/pa/prs/ps/2001/6951.htm>. The Department of Homeland Security (DHS) filed a Petition to Adopt Conditions to Authorizations and Licenses on June 10, 2019 (Petition). DHS has no objections to the Commission approving authority to construct, land, and operate the AU-Aleutian cable system, provided that the Commission conditions its approval on the commitment of GCI Communication Corp. to abide by the undertakings set forth in the June 3, 2019 Letter of Assurances from GCI Communication Corp. to DHS.

Actions Taken: (1) Grant of Cable Landing License, as amended, to GCI Communication Corp. for the purpose of landing and operating a common carrier fiber-optic submarine cable network, the AU-Aleutian cable system, extending between Kodiak, Larsen Bay, Chignik, Perryville, Sand Point, King Cove, Cold Bay, Akutan, Dutch Harbor, and False Pass; and (2) grant of the Petition to Adopt Conditions to Authorizations and Licenses filed on June 10, 2019, by the Department of Homeland Security.

Licensee Information: The Applicant for the cable landing license for the AU-Aleutian cable system is GCI Communication Corp. (GCICC).

GCICC is a wholly-owned subsidiary of GCI Holdings, Inc., which in turn is wholly owned by Ventures Holdco, LLC, all three of which are Delaware entities. Ventures Holdco is wholly owned by GCI, LLC, an Alaska company, which is wholly owned by GCI Liberty, a Delaware corporation. Dr. John C. Malone, a U.S. citizen, holds an approximate 27% voting interest and an approximate 4% equity interest in GCI Liberty. GCI Liberty's shares trade publicly on the NASDAQ exchange. GCI Liberty has no other ten percent or greater direct or indirect voting or equity interest holders.

Cable Design and Capacity: The AU-Aleutian cable system will be a high capacity digital fiber-optic system and consist of 15 segments and 12 landing points: (1) Segment 1: Dutch Harbor to Akutan Branch Unit (58.5 kilometers, 12 fiber pairs); (2) Segment 2: Akutan to Akutan Branch Unit (27.3 kilometers, 12 fiber pairs); (3) Segment 3: Akutan Branch Unit to False Pass Branch Unit (212 kilometers, 12 fiber pairs); (4) Segment 4: False Pass to False Pass Branch Unit (44.2 kilometers, 12 fiber pairs); (5) Segment 5: False Pass Branch Unit to King Cove (60.7 kilometers, 12 fiber pairs); (6) Segment 6: King Cove to Cold Bay (43.1 kilometers, 6 fiber pairs); (7) Segment 7: King Cove to Sand Point (175.9 kilometers, 6 fiber pairs); (8) Segment 8: Sand Point to Perryville Branch Unit (118.4 kilometers, 9 fiber pairs); (9) Segment 9: Perryville to Perryville Branch Unit (45.9 kilometers, 6 fiber pairs); (10) Segment 10: Perryville Branch Unit to Chignik Bay (135.5 kilometers, 9 fiber pairs); (11) Segment 11: Chignik Bay to Larsen Bay Branch Unit (326.8 kilometers, 6 fiber pairs); (12) Segment 12: Larsen Bay to Larsen Bay Branch Unit (37.2 kilometers, 12 fiber pairs); (13) Segment 13: Larsen Bay Branch Unit to Kodiak (135.7 kilometers, 6 fiber pairs); Segment 14: Chignik Bay to Chignik Lagoon (16.5 kilometers, 6 fiber pairs); and (15) Segment 15: Chignik Lagoon to Chignik Lake (18 kilometers, 6 fiber pairs). The AU-Aleutian system will have a total length of 1,456 miles with a current design capacity of 800 Gigabits per second (Gbps) per fiber pair.

AU-Aleutian will have 12 landing points, all in Alaska: (1) Akutan; (2) Dutch Harbor; (3) False Pass; (4) King Cove; (5) Cold Bay; (6) Sand Point; (7) Perryville; (8) Chignik Bay; (9) Chignik Lagoon; (10) Chignik Lake; (11) Larsen Bay; and (12) Kodiak. The landing point at Kodiak will use a previously constructed cable landing station, and the cable landing stations at the other 11 landing points will be new facilities constructed in connection with AU-Aleutian.

Ownership of the Cable System and Landing Points: GCICC will own and operate the whole of the AU-Aleutian, including the wet links and cable landing facilities (cable landing stations/equipment huts and beach manholes) for all twelve landing points in Alaska.

Regulatory Status of the Cable: GCICC proposes to operate the AU-Aleutian cable system on a private, non-common carrier basis. Applicant states that the AU-Aleutian cable will allow it to continue to compete vigorously with the incumbent, Alaska Communications Systems Group, Inc. (ACS), in the intra-Alaska and Alaska-Lower 48 markets and provide customers in the five remote communities that now rely solely on satellite links, which suffer from propagation delays and capacity constraints, with much needed capacity and redundancy. In addition, the cable system will also allow GCICC to compete with existing providers' facilities, including satellite service providers: ACS, TelAlaska, Bristol Bay Telecom, AT&T, DSL, and HughesNet. GCICC states that capacity will not be sold indifferently to the user public, but will be provided in bulk capacity to particular carrier, enterprise, and government users pursuant to individually-negotiated indefeasible rights of use (IRUs) and capacity leases, the terms of which will vary depending on the characteristics and needs of the particular capacity purchaser.

Applicant has provided information sufficient enough to demonstrate that the proposed operation of the cable on a non-common carrier basis satisfies the requirements set forth in National Association of Regulatory Utility Commissioners v. FCC, 525 F.2d 630, 642 (D.C. Cir. 1976)(NARUC I), cert. denied, 425 U.S. 992 (1976). See also Submarine Cable Landing License Report and Order, 16 FCC Rcd at 22202-22203,

paras. 69-70; Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, Notice of Proposed Rulemaking, 15 FCC Rcd 20789, 20815-20818, paras. 62-67 (Cable Landing License Act).

Conditions and Requirements: GCICC will comply with the routine conditions set out in 1.767(g)(1)-(14) of the Commission rules, 47 C.F.R. § 1.767 (g)(1)-(14), and with the requirements of section 1.768 of the Commission's rules, § 1.768 (Notification by and prior approval for submarine cable landing licensees that are or propose to become affiliated with a foreign carrier).

We grant the Petition to Adopt Conditions to Authorizations and Licenses (Petition) filed in this proceeding on June 10, 2019, by the Department of Homeland Security. Accordingly, we condition grant of the application on GCI Communication Corp. abiding by the commitments and undertakings contained in the June 3, 2019 Letter of Assurances from Dan Boyette, Vice President and General Manager - AU-Aleutian Program, GCI Communications Corp. to the Assistant Secretary for Border, Immigration and Trade, Office of Policy, DHS (2019 LOA). A failure to comply and/or remain in compliance with any of these commitments and undertakings shall constitute a failure to meet a condition of the cable landing license and thus grounds for declaring license terminated without further action on the part of the Commission. Failure to meet a condition of the license may also result in monetary sanctions or other enforcement action by the Commission. A copy of the Petition and the 2019 LOA are publicly available and may be viewed on the FCC website through the International Bureau Filing System (IBFS) by searching for SCL-LIC-20171031-00024 and accessing "Other filings related to this application" from the Document Viewing area.
